

UTAH MINERALS RECOVERY STATUS UPDATE AS OF 6-19-2015

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6671

To: Stephen Allen
Leslie Heppler

RECEIVED E-Mail

JUN 21 2015

From: J. Wallace Gwynn
Utah Minerals Recovery

Div. of Oil, Gas & Mining

Yesterday June 18, 2015, I went out to the Knolls site to oversee a number of projects to include removal of the Blazer and to instruct new employees on the required cleanup efforts.

The "Evans & Sons Auto & Towing" tow truck arrived about 3:00 p.m. to extract the Blazer from the mud at the north end of the project area. Mike, the tow truck operator, in my company, viewed the situation of the Blazer from both the east and west approaches. It was his determination that because of the yet wetness of the approach roads that an additional two weeks of drying will be required before he can bring his equipment within working distance of the Blazer. At that time he will return to retrieve the Blazer. If you have questions, please feel free to contact Mike at 855-586-4325.

While the tow truck was there, I asked if the motor home could be taken to which Mike said he would. Within the next hour, the motor home was gone.

While on site, I contacted Mas Nakaya the contractor who had removed the liner from the south and middle dikes. I reported that it appeared the area was dry enough that he could smooth out the remaining portion of the south dike of the south pond. He is planning to come out Monday the 22 to take care of this work. I will also request that he smooth out the east end of the middle dike and the road around the east side of the large bladder.

During my time out at the site, I have been orienting two new employees as to the nature of the brine-harvesting operation and of the nature of the cleanup duties that need to be implemented ASAP. These duties will be ongoing along with trying to get our brine operations going now that we have some warm/hot weather.

The deadline for getting the required cleanup accomplished is less than three weeks away (July 8th), and may be a near impossible task to complete given I have only two employees. Many of these tasks are very labor intensive. I will be having them work on these tasks as quickly and as best they can. I am asking for your patience and understanding of my position as well as the abilities, safety, and wellbeing of my employees.

I have requested an opinion from Stephen Allen as to whether I can burn much of the material that needs to be cleaned up throughout the area. I have not received an answer from him at this time. The ability to burn much of the old liner, pallets, tires and possibly the Styrofoam blocks would certainly simplify disposal considerably.

Gary Horwitch is currently preparing the amendment to the Notice of Intention to Commence Small Mining Operations (Notice), and should have it done within the week.

Work to remove pieces of black liner has begun.

Respectfully,

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